

## **Assembly Bill No. 1708**

### **CHAPTER 236**

An act to amend Section 515 of the Insurance Code, and to amend Section 16028 of the Vehicle Code, relating to vehicles.

[Approved by Governor September 7, 2012. Filed with  
Secretary of State September 7, 2012.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AB 1708, Gatto. Vehicles: electronic verification of financial responsibility and insurance.

(1) Existing law requires every driver and every owner of a motor vehicle to be able to establish financial responsibility, and, at all times, carry in the vehicle evidence of a form of financial responsibility, which may be obtained by a law enforcement officer from the electronic reporting system established by the Department of Motor Vehicles. Existing law requires, upon the demand of a peace officer, that evidence of registration and proof of financial responsibility be provided by a person driving a motor vehicle.

Existing law requires a driver who is issued a notice to appear for any alleged violation of the Vehicle Code or the driver of a motor vehicle involved in an accident to furnish written evidence of financial responsibility. Existing law requires an insurer issuing policies of automobile liability insurance or motor vehicle liability insurance, upon the request of its insured or the Department of Motor Vehicles, to promptly issue written verification as to the existence of that coverage.

This bill would authorize an insurer issuing policies of automobile liability insurance or motor vehicle insurance to issue, upon the request of the insured and to the extent available, electronic verification as to the existence of the coverage to a mobile electronic device, as defined, and would allow a person to provide evidence of financial responsibility, under the circumstances described above, through the use of a mobile electronic device.

The bill would require, when a person provides evidence of financial responsibility, using a mobile electronic device, to a peace officer, the peace officer to only view the evidence of financial responsibility and would prohibit him or her from viewing any other content on the mobile electronic device. The bill would also require, whenever a person presents a mobile electronic device pursuant to the above-described provisions, the person to assume all liability for any damage to the mobile electronic device.

By expanding the duties of local public officials and expanding the scope of existing crimes, the bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

*The people of the State of California do enact as follows:*

SECTION 1. Section 515 of the Insurance Code is amended to read:

515. (a) (1) Notwithstanding any other law, an insurer issuing policies of automobile liability insurance or motor vehicle liability insurance shall, upon request of either the named insured or the Department of Motor Vehicles, promptly issue to that person or the department written verification as to the existence of that coverage.

(2) Upon the request of the insured, an insurer may issue the verification as to the existence of that coverage in an electronic format to a mobile electronic device to the extent available. This section does not require an insurer to provide the verification of coverage in an electronic format in real time.

(b) For purposes of this section, “mobile electronic device” has the same meaning as defined in subdivision (f) of Section 16028 of the Vehicle Code.

SEC. 2. Section 16028 of the Vehicle Code is amended to read:

16028. (a) Upon the demand of a peace officer pursuant to subdivision (b) or upon the demand of a peace officer or traffic collision investigator pursuant to subdivision (c), every person who drives a motor vehicle upon a highway shall provide evidence of financial responsibility for the vehicle that is in effect at the time the demand is made. The evidence of financial responsibility may be provided using a mobile electronic device. However, a peace officer shall not stop a vehicle for the sole purpose of determining whether the vehicle is being driven in violation of this subdivision.

(b) If a notice to appear is issued for any alleged violation of this code, except a violation specified in Chapter 9 (commencing with Section 22500) of Division 11 or any local ordinance adopted pursuant to that chapter, the cited driver shall furnish written evidence of financial responsibility or may provide electronic verification of evidence of financial responsibility using a mobile electronic device upon request of the peace officer issuing the citation. The peace officer shall request and write the driver’s evidence of financial responsibility on the notice to appear, except when the peace officer is unable to write the driver’s evidence of financial responsibility on the notice to appear due to an emergency that requires his or her presence elsewhere. If the cited driver fails to provide evidence of financial responsibility at the time the notice to appear is issued, the peace officer may issue the driver a notice to appear for violation of subdivision (a). The notice to appear for violation of subdivision (a) shall be written on the same citation form as the original violation.

(c) If a peace officer, or a regularly employed and salaried employee of a city or county who has been trained as a traffic collision investigator, is summoned to the scene of an accident described in Section 16000, the driver of a motor vehicle that is in any manner involved in the accident shall furnish written evidence of financial responsibility or may provide electronic verification of evidence of financial responsibility using a mobile electronic device upon the request of the peace officer or traffic collision investigator. If the driver fails to provide evidence of financial responsibility when requested, the peace officer may issue the driver a notice to appear for violation of this subdivision. A traffic collision investigator may cause a notice to appear to be issued for a violation of this subdivision, upon review of that citation by a peace officer.

(d) (1) If, at the time a notice to appear for a violation of subdivision (a) is issued, the person is driving a motor vehicle owned or leased by the driver's employer, and the vehicle is being driven with the permission of the employer, this section shall apply to the employer rather than the driver. In that case, a notice to appear shall be issued to the employer rather than the driver, and the driver may sign the notice on behalf of the employer.

(2) The driver shall notify the employer of the receipt of the notice issued pursuant to paragraph (1) not later than five days after receipt.

(e) A person issued a notice to appear for a violation of subdivision (a) may personally appear before the clerk of the court, as designated in the notice to appear, and provide written evidence of financial responsibility in a form consistent with Section 16020, showing that the driver was in compliance with that section at the time the notice to appear for violating subdivision (a) was issued. In lieu of the personal appearance, the person may submit by mail to the court written evidence of having had financial responsibility at the time the notice to appear was issued. Upon receipt by the clerk of that written evidence of financial responsibility in a form consistent with Section 16020, further proceedings on the notice to appear for the violation of subdivision (a) shall be dismissed.

(f) For purposes of this section, "mobile electronic device" means a portable computing and communication device that has a display screen with touch input or a miniature keyboard.

(g) For the purposes of this section, when a person provides evidence of financial responsibility using a mobile electronic device to a peace officer, the peace officer shall only view the evidence of financial responsibility and is prohibited from viewing any other content on the mobile electronic device.

(h) Whenever a person presents a mobile electronic device pursuant to this section, that person assumes all liability for any damage to the mobile electronic device.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section

17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.